



AMERICANS FOR TAX REFORM

GROVER G. NORQUIST

PRESIDENT

VOTE “No” on S.1224
ATR MAY RATE VOTE
On Children’s Health Insurance Program
Reauthorization Act

SCHIP is a misguided attempt to address health insurance for children. Instead of morphing the program into a universal entitlement, ATR urges Congress to seek free market reforms to empower low-income working families and strengthen access to private health care coverage.

Raising the tobacco tax to fund SCHIP creates a lose-lose situation. A higher tax rate will not only scapegoat a segment of Americans for using a legal product, but will also hurt small businesses which often lean on tobacco sales to stay in business. In order to avoid paying higher and higher tobacco taxes, consumers will turn to the Internet or black market sources for tobacco products. As small businesses are the engine of job creation in the U.S., raising the tax on tobacco could destroy American jobs.

The very reasoning behind tobacco tax increases is flawed. Proponents argue the government can have increased revenue and less tobacco use. It is absurd to argue that a tax increase will diminish the number of people buying tobacco and that it will increase tax revenues. Funding an expansion of children’s health insurance on an already-declining revenue stream that the legislation seeks to further decrease is dangerous policy.

ATR MAY RATE A VOTE AGAINST THE
CHILDREN’S HEALTH INSURANCE
PROGRAM REAUTHORIZATION ACT

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